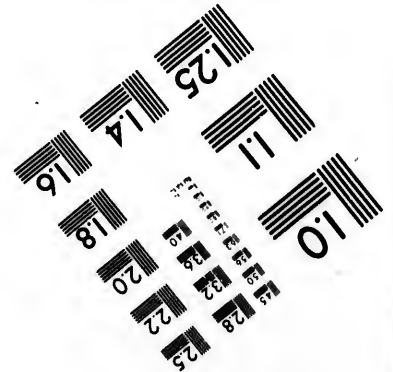
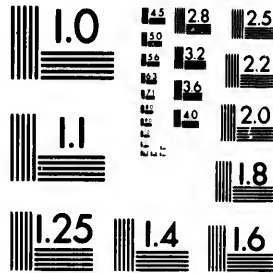


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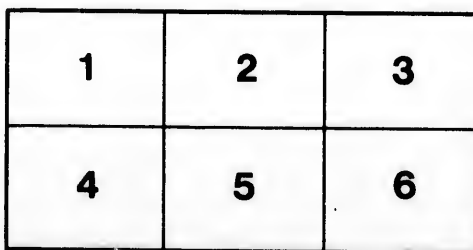
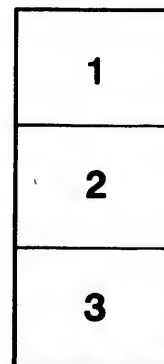
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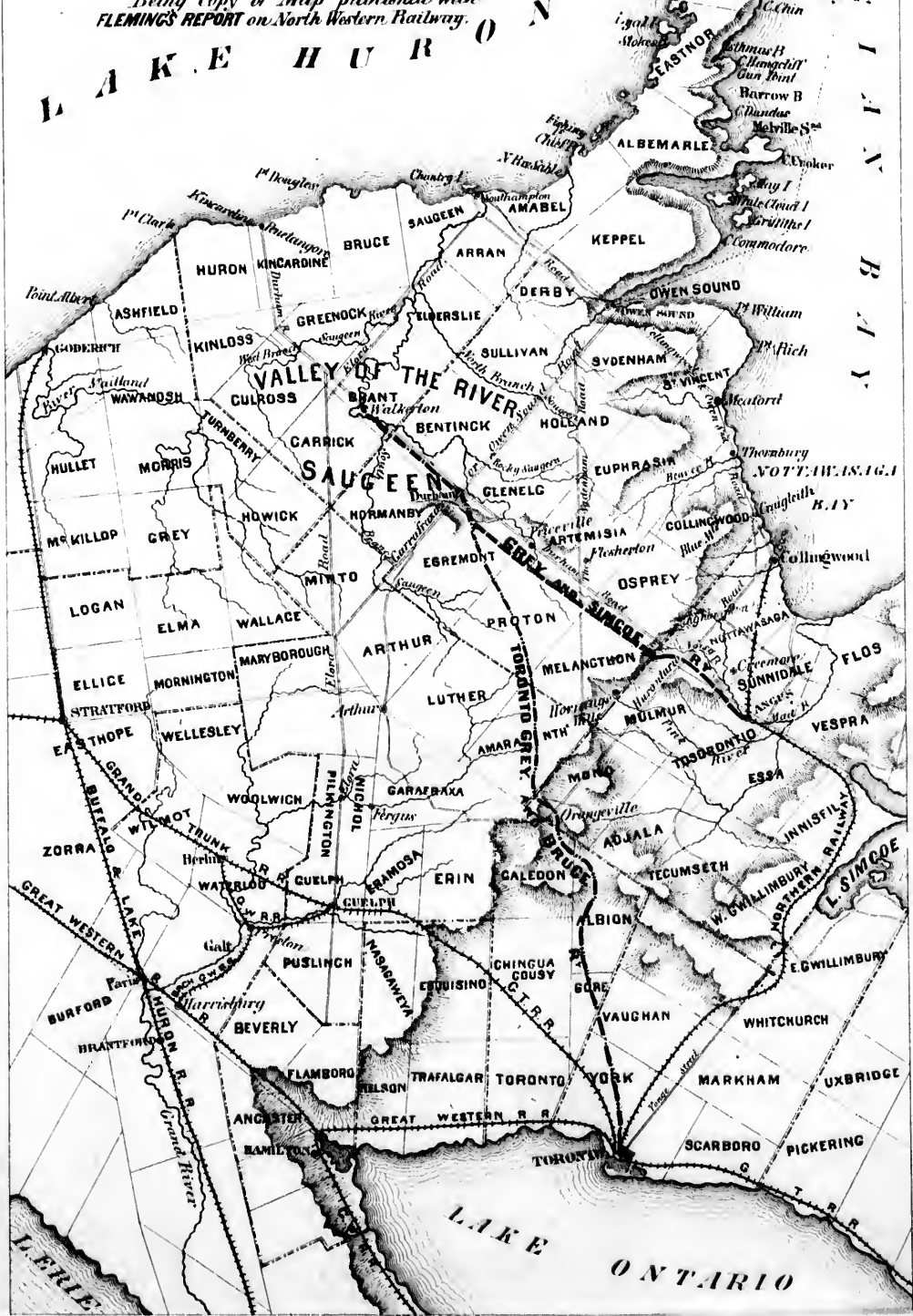
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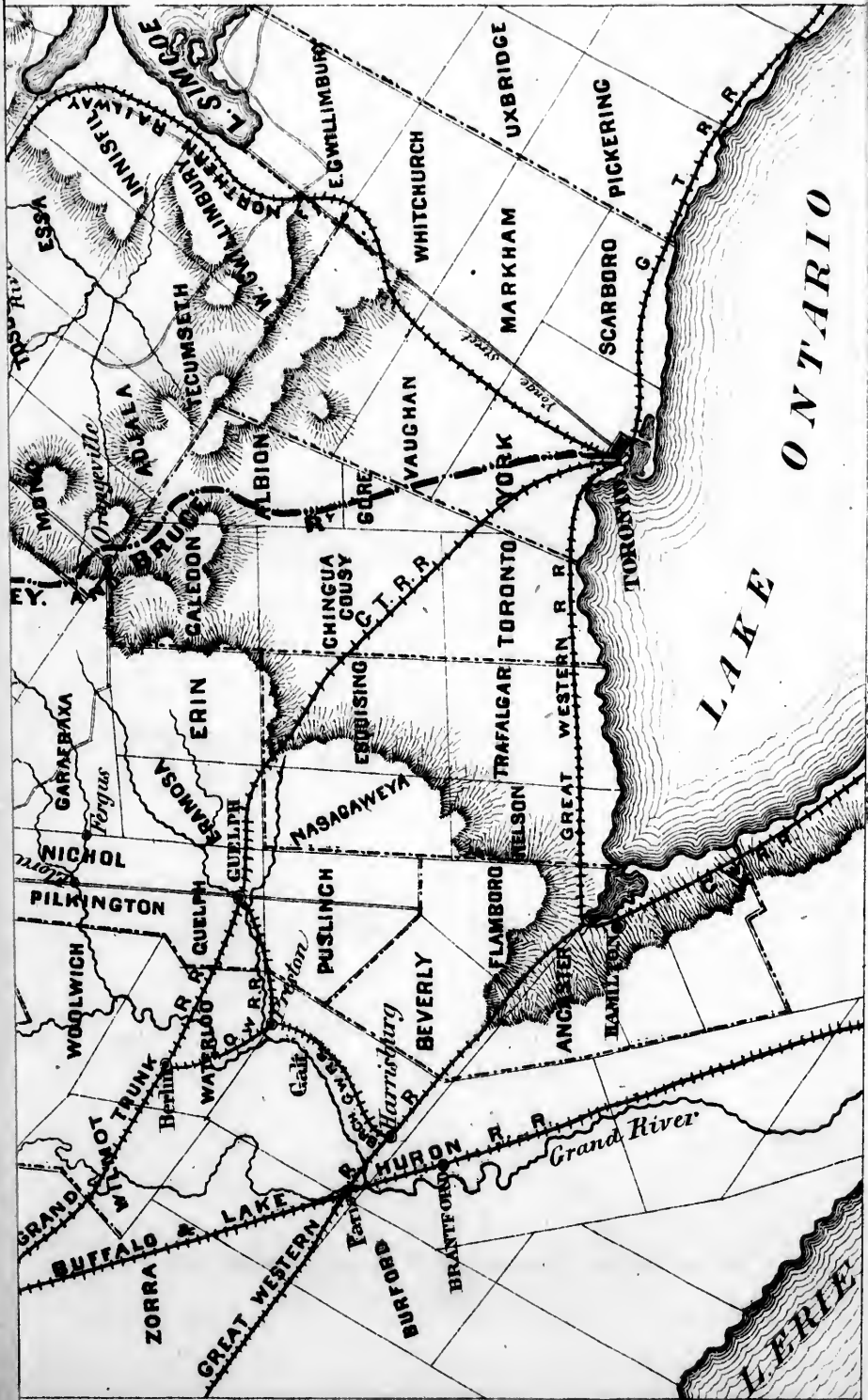
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SKETCH
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 part of **CANADA** shewing
 projected
"GREY AND SIMCOE"
 (AND)
"Toronto, Grey & Bruce"
 Railways.

*Being Copy of Map published with
 FLEMING'S REPORT on North Western Railway.*





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RAILWAYS TO GREY:

BEING

A LETTER

TO

THE WARDEN, REEVES AND DEPUTY REEVES,
OF THE SOUTH RIDING OF

THE COUNTY OF GREY.

By FRED. WM. CUMBERLAND.

TORONTO:

GLOBE PRINTING COMPANY, 26 & 28 KING STREET EAST.

1867.

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*To the Warden, Reeves and Deputy Reeves of the
Southern Division of the County of Grey.*

TORONTO, 20th April, 1867.

GENTLEMEN,—

At a meeting of the Reeves and Deputy Reeves of the Southern Division of the County of Grey, held at Flesherton on Tuesday last, I had the honour, at the request of your Chairman, to state my views in regard to the proposed "*Grey and Simcoe Railway*;" and it was then suggested as expedient that those views should be reduced to writing, for the information of those Councillors and Ratepayers of the respective Townships who were not present at the meeting.

In complying with that request, I shall now proceed to present, in as brief and simple a form as possible, a review of the different Railway projects which have been proposed for connecting your County with the City of Toronto, and to discuss the relative value of their locations, the character of their works, their estimated cost, the probabilities of securing the necessary capital for their early construction, and thus endeavour to determine the relative merits of these schemes, as practical proposals capable of early accomplishment, and worthy the support of practical business-like people.

And first let me say a few words as to the position of the Northern Railway Company in relation to these new Railway projects, in connection with which we (in common with the Grand Trunk) have been recently charged with making "the most grasping and selfish attempt conceivable to put our yoke on the necks of the people of Bruce and Grey."

The fact is, that the proprietors of the Northern Company are chiefly—indeed, almost exclusively—the holders of six per cent. Debentures, amounting in the aggregate to £533,900 sterling, or \$2,598,000 00, being equivalent to a first charge of \$27,638 per mile of railway, more than half of which was expended in the *reconstruction* of the road.

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These proprietors, for the long period of ten years, received no interest whatever on their investment, but they are now, I am happy to say, in punctual receipt of their full dividends of six per cent. ; and therefore, even were the traffic and profits of the Line increased fourfold, they would not be entitled to, and are prevented by law from receiving, one farthing more than is now paid to them. You will see, therefore, that these proprietors have no selfish or money interest to promote by the construction of any new lines. Unlike shareholders, their dividends *are fixed, and cannot be increased beyond what they now are* ; and accordingly, a purely selfish policy would induce them to avoid all new undertakings, and "rest and be thankful."

Yet recognizing the undoubted duty which rests upon the Company to provide for and promote the development of the territory served by the Road, they have declared themselves not unwilling to co-operate by their influence and good offices in any really sound extensions which the people and the Government may practically promote. If, therefore, the people of South Grey and of Toronto should find it their interest to unite in the support of the Grey and Simcoe Railway, then the Northern Company will be prepared to afford whatever assistance it may legitimately render to secure the construction and working of that Railway ; but beyond this it will not go on any advice. The truth is, that Northern proprietors will in no way be damaged should the inhabitants of Grey and of Toronto decide that their interests will be better served by the construction of some other Line than the Grey and Simcoe ; for it is not to be supposed that the necessary Legislative powers will be granted, or the capital obtained, for any new railway directly competitive with the Northern, or to be located so closely to it as to be mutually dangerous and destructive. Thus, the "Central" Bill last Session was so obviously hopeless that it was withdrawn, for no Legislature or Government will favour any proposal calculated to injure the Northern property, in which

the Province holds so large an interest, and certainly no individual will be foolish enough to put his money into any new Canadian Railway unless it serves an entirely new territory and trade; and if it is to serve a new territory and trade, then Northern interests need not be alarmed about it, or offer it any opposition.

Let me add, before leaving this part of the subject, that the Grey and Simcoe Railway Company is an entirely separate corporation,—that it alone has legal powers in regard to the construction of that Railway, and that the Northern has no other connection with the project than arises out of a desire to fulfil whatever duties, and to afford whatever friendly offices, the interests of your County and of the City of Toronto may seem to dictate.

1ST. AS TO LOCATION.

There are three Railway projects before us, namely: *One*, "The *Central Railway*," direct from Toronto to Owen Sound, 112 miles in length. *Two*, "The *Cheap Toronto, Grey and Bruce Railway*," to Owen Sound and Lake Huron, *via* Durham and Walkerton, say 118 miles to Owen Sound, and with the Kincardine branch, a total length of probably 158 miles. And *Three*, "The *Grey and Simcoe Railway*," to Durham, 47 miles. But in discussing these schemes it is peculiar to note that for two out of the three no definite location has been suggested, the Grey and Simcoe being the only one for which the surveys have been made, and a distinct location proposed.

Now, the "Central" would traverse the Eastern and Northern Townships of Grey—would not enter or even approach Bruce—and would therefore, to a very large extent, serve the same district and trade as the Northern, and be directly competitive with it. Doing no good whatever to the Western Townships of Grey, or to any part of Bruce, it would, by unnecessary and reckless hostility of location, provide for its own destruction, and for the gravest and most objectless injury to

the Northern, and to every public and commercial interest concerned in it. It was originally estimated, I believe, to cost £8,000 cy. per mile, and would therefore, at that rate, require a capital of say three millions and a half of dollars.

The same objections do not hold so strongly against what I understand to be the probable location of the "Cheap Railway," for to a larger extent it promises to open up and serve a new district. But whilst it will afford far less advantages to the Townships of South Grey than the "Grey and Simcoe," it will as it approaches Toronto, give new accommodation to particular Townships in Peel and York, and offer especially valuable facilities to the large milling interests in those neighbourhoods. The experience, however, of all Canadian Lines is, that as a rule they are not availed of for general traffic for the first fifteen or twenty miles of their length, which are therefore almost universally unremunerative, and especially where, as in this case, three Railways would be in such close proximity to each other. Its length to Owen Sound would be probably 118 miles, or a total, embracing Kincardine or other Lake Huron port, of about 158 miles, which, at the low estimate of \$15,000 a mile, would represent a capital of \$2,370,000, but which, if the "break of gauge" be abandoned, as certainly it must, cannot be less than \$23,600 a mile, or a capital of \$3,728,800.

For the Townships comprising the Southern Division of Grey, however, as well as for all that part of Bruce tributary to Walkerton, nothing could be more favourable than the surveyed location of the "*Grey and Simcoe Railway*," which traversing the town lines between the four Northern and four Southern Townships *throughout their whole breadth from east to west, would equally serve each of the eight*, so that *the most distant farm in any one of them* would not be more than ten or eleven miles from the Railway; and continuing still westward from Durham would, by the shortest possible mileage, serve the County Town of Bruce. With regard to the interests of Toronto, too, it is perfectly clear that the "*Grey and Simcoe*"

would, by *crossing* Grey and entering Bruce on an east and west line, secure all to the north and much from the south of its location;—it would do for Toronto just what the dam across a river does for the water-mill, for it would, *by crossing the stream of trade* (flowing from north to south throughout the breadth of the county), *turn and direct it to its new course*; and this no single line north and south could by any possibility succeed in doing, for no such single line, tributary to Toronto, could so collect the *breadth* of traffic, or so occupy the area, as to exclude other lines directed southward. Very much superior, then, to the other lines as relates to the Townships of South Grey, shorter in the length of new construction *by nearly half*, requiring less than half the capital to build, it would be quite equal to either of them as regards Toronto, entering the City, as it would, by the Northern Railway, and thus conferring upon Toronto all the advantages resulting from being its great terminal station—the distributing point of its traffic by rail and lake—the site of its grain elevators, machine shops and other establishments, all thus to be largely increased.

Of course the “Grey and Simcoe” is just as capable of ultimate extension to Owen Sound and to the shores of Lake Huron as either of the other lines, but as no Charter powers are at present possessed by any of them for such extensions, it would be useless now to enlarge upon that portion of the scheme.

2. AS TO THE CHARACTER OF THE WORKS.

The discussion of this branch of the subject is only necessary because the proposed “*Cheap Railway*” system introduces a novelty which may, if not carefully considered, have a very serious and prejudicial effect upon all future Railway operations and investments in this Province. It is desirable, therefore, to endeavour to understand at the outset what is meant by a “*Cheap Railway*,” and for this purpose to turn to the explanations given in a somewhat remarkable pamphlet recently published upon the subject.

Of course the meaning of the expression "a *cheap Railway*" largely depends upon who uses it and where it is used. The London and North Western Railway of England (1,300 miles of line) cost an average of £45,000 sterling, or say \$218,000 a mile. English Engineers, therefore, such as those quoted (Sir Charles Fox and others), would undoubtedly speak of *any* line costing but one-sixth of that sum, (or say \$38,000 per mile, which is about the past Canadian average) as a remarkably *cheap Railway*; and yet in Canada we have come to regard that mileage cost as somewhat extravagant.

Now it is curious, if not a little suspicious, to observe that although the pamphlet was written with the avowed object of showing what a "cheap Railway" should cost, yet the writer ventures upon no estimate—does not give a single figure—based upon Canadian prices; but contents himself by citing the costs of some seven or eight "Cheap Railways" constructed in India, Norway, and Australia. I have been obliged, therefore, as the fairest and indeed the only method of applying the quotations, to strike an average over the whole eight examples of "Cheap Railways" selected or referred to, as illustrating the proposals, and I thus find that the average cost amounts to \$19,064 a mile, or just \$936 (£234 cy.) a mile less than the estimate for the Grey and Simcoe Railway to be constructed on the standard of the Northern! Of course when we remember that labor in India costs about 6d. a day, and in Norway is extremely cheap, if we apply this average cost in those countries to the standard of Canadian wages at \$1 per day, the mileage estimate would for this Province probably reach \$25,000 or \$30,000; indeed Sir Charles Fox, as quoted in that pamphlet, says of these Norwegian lines, that their cost "varies, according to the character of the country, from £3,000 (\$15,000) to £6,000 (\$30,000) per mile;" so that, after all, the average of these roads (\$22,500) is actually higher than the proposed outlay for the Grey and Simcoe, which is only \$20,000 a mile!

I am told, however, that some of the promoters verbally estimate the line to cost \$12,500 a mile, although Mr. Boyd, a Civil Engineer of New Brunswick, by whom "cheap railways" have been first recommended for these Colonies, and whose pamphlet seems to have been at the base of all their proceedings, mentions *no other or less sum than \$15,000 a mile* as the probable cost of a Line in New Brunswick, where, I fancy, Railway work would decidedly be less costly than in Upper Canada.

This estimate of \$15,000 a mile is for "*the cheap, light narrow gauge principle*," namely, with 3 ft. 6 in. instead of 5ft. 6 in. gauge—rails 37 to 40 lbs. instead of 57 to 63 lbs. to the yard—Engines from 7½ to 14 and 15 tons instead of from 26 to 30 tons—sharper curvature—narrower embankments—narrower cuttings—steeper gradients—lighter loads—and speeds of from 10 to 15 miles an hour.

Let us try and see what all this really means: can it be intended to describe a Railway fitted in permanence to serve the trade of such advanced, densely settled and productive counties as Grey and Bruce, and to serve it safely, sufficiently and economically? or is it, with more judgment, simply intended for application to the unsettled territory of Lake Nipissing, or other yet unopened districts?

I apprehend that everybody will understand that a "cheap Railway" means light earthwork and heavy undulating grades—over the hills and into the valleys. Now the Northern passes through a country by no means difficult, and its earthwork was not heavy, yet its grades are 60 feet to a mile, and its engines necessarily weigh from 28 to 30 tons.

To build a still cheaper railway you are in this dilemma:—if you reduce your earthwork (that is, have less cutting and filling, and adhere closer to the natural surface) you must have heavier grades—and if heavier grades, then heavier engines and heavier rails, and stouter bridges, &c., &c. But if, on the other hand, you elect to have lighter engines, then, if you desire to maintain your transport power, you must have

vastly more earthwork—you must cut and fill until you get your line nearer to a level grade ;—and *in either case what becomes of your “cheap Railway?”*

But perhaps it may be said “we will have heavier grades and lighter engines to haul *smaller loads*—and in *that way* will get a cheap Railway.” Let us see how this would work for an active and growing traffic, such as that of Grey and Bruce. In the pamphlet before referred to, we are told that the engines on one of these roads ($7\frac{1}{2}$ tons) “on gradients 1 in 60,” would “*take a load of 50 tons at ten miles an hour.*” Now as fifty tons gross would certainly not represent more than *thirty tons of paying freight*, the remainder being the dead weight of the train, how will it be possible on such a system to provide for such a traffic as your counties will give and *require to be done, and promptly done*, seeing that the Northern traffic, one way only, namely, “*going South,*” is already equal to 1,260 tons daily on a line 94 miles in length ; whereas the aggregate of the cheap “Grey and Bruce Railway” will be say 158 miles !

But let us take another illustration from the same pamphlet—and it may be fairly presumed that its author rather exaggerates than depreciates the traffic ability of his system—and we find it stated that an engine of 16 tons, on a gradient of 1 in 100, or 53 feet to a mile, will haul “*a gross load of 150 tons.*” Now, although the Northern grades are 60 feet to a mile, and on a “cheap” line are not likely to be less, a gross load of 150 tons would represent on the Northern a train of only *seven cars*, carrying *seventy tons* of paying freight, whereas the average trains actually running upon the Northern are composed of *eighteen cars*, carrying *one hundred and eighty tons* of paying freight, so that the freight load of each train upon the Northern is *260 per cent. more* than is claimed as the greatest carrying power of a “*cheap*” train, even on lighter grades !

Again, in a letter of Mr. C. D. Fox’s, recently republished in the “Globe,” and descriptive of these Norwegian lines, we are told of one of them that it is 24 miles long—cost £3,000

(\$15,000) per mile—working speed, 15 miles an hour—engines, 14 tons—gross loads, 90 tons—and a traffic of “two trains each way in summer, and one in winter, all mixed (passengers and goods).” The other is 30 miles long—cost £6,000 (\$30,000)—average running speed, 12 miles an hour—gross load, 66½ tons, on a grade of 1 in 52—and it is stated that “the traffic in winter is *very large (!)* and two trains a day are then run each way, which in the summer are reduced to *one mixed passenger and goods.*”

Is it in the mind of any man possessing practical knowledge, or having any acquaintance with the area of country proposed to be served, to say that such a transport power as this will suffice for the Counties of Grey and Bruce, even at the very outset?

I have no wish to exaggerate the probable traffic of your counties—I believe we shall want it all to make a railroad pay—but certainly *if a cheap line, of such limited power as is claimed for it, can do your work, then there is not enough work to justify the construction of any Railway.* But I believe that your counties are quite as highly developed, quite as densely settled, and quite as productive of freight for export as (with slight, if any, exception) were any of the Districts of Upper Canada when railways were first introduced to them; and as I see no reason to doubt that your Counties will ere long provide a traffic equal to that of the County of Simcoe, which now yields the Northern a daily tonnage, “going South,” of 1,260 tons, employing only seven trains, then if “gross loads of 150 tons” are to represent the transport power of the cheap Railway for Grey, it will require fifteen trains to move the same tonnage as the Northern does with seven,—involving of course an extravagant increase in the number of engine drivers, firemen, conductors, brakemen, and all other charges embraced in the cost of transport;—and seeing that the cost of working on the Northern is from 56 to 60 per cent. of its earnings, and that “cheap” trains could not earn even half as much as those upon the Northern, it is

pretty certain, not only that the "cheap railway" could not do the work of such a line, but that if it could, it would not pay its ordinary working expenses. Besides, if the trade demands a certain carrying and tractive power, is that an *economical* system, justifying the expression "*cheap*," which prefers to run fifteen "16 ton" engines, and employ *fifteen sets of train hands to run them*, rather than to use seven "28 ton" engines, and do the same work with less than half the number of men? The simple fact is, that the transport costs by the cheap system upon such a standard would be doubled, and the railway would be insufficient for an active business, ruinous to those who worked it, and prohibitory in its charges to those for whose use it was constructed.

In Canada we have already reached the lowest economical standard of cheap Railways, so far, at any rate, as *the character of the works of construction are concerned*; and to go any lower will be to practise that false and delusive economy which seeks a small and unimportant saving at the outset, at the expense of increased and heavy permanent costs and early dilapidation.

If there has been any undue expenditure upon Canadian Railways (for after all we have probably got them as cheap, or cheaper than other countries, especially in view of the traffic we have to offer them) the excess may be attributed, not to any extravagance *in the style of their construction and equipment, admitting of any future reduction*, but rather to the *universal absence of a cash capital*, and the financial expedients arising out of *paper payments and a doubtful credit*; showing very conclusively, as I think, that if we would aim at future economy in such enterprises, we should, at their very inception, be anxious, not so much to reduce the standard of their construction and equipment (which will really not bear reduction), as to see first that they afford a safe basis for the necessary investment, and then that they are soundly and

permanently constructed, and are promoted on sound and prudent financial principles.

In the very nature of things, Railways are necessarily costly—the unceasing character of their business, which can never be postponed, its hazardous nature, the value of the things conveyed, the pressure of the stringent laws affecting the common carrier, and (especially in a climate like ours) the excessive wear and tear and waste of every part and appliance of its works, machinery and stock, all contribute to render sound and permanent provisions the truest and indeed the only real economy; and thus it is that experience has led to the abandonment of “cheap” expedients, however ingenious, in favor of those more reliable, even if in the first instance more costly provisions, which secure safety and efficiency of service, and a more remunerative investment. *The Northern Railway was worn out long before it paid a shilling of profit* and each of the other Railways in Canada have suffered premature decay and all the embarrassment and discredit due to supplementary capital accounts opened for purposes of *reconstruction*; and certainly a worn-out railway is a grievous damage to the public, as well as a terrible loss to the proprietors.

On the whole it seems impossible to doubt that the broad gauge and heavy rail system, at \$20,000 a mile, is a much cheaper Railway, and a better outlay and investment, than “the narrow gauge light rail system” of the Indian and Australian lines.

My own deliberate conviction is that, unless from local interest, no experienced or prudent person will invest one dollar in this “cheap” system, for any but short, subsidiary lines as feeders, or connecting manufacturing and milling suburbs with commercial cities, or on colonization lines carried into new and unsettled regions. For such purposes and in such locations, this cheap system of *good tramways*, as distinguished from *‘bad railways*, may be very applicable; and whilst I am quite cer-

tain that it is wholly unfitted to such an important line as the existing trade of Grey and Bruce demand, I should be sorry to be misunderstood as condemning its introduction as a "pioneer" in less advanced sections of the country.

In this particular, moreover, I am in entire accordance with the parties who have introduced the system; for Mr. Boyd of New Brunswick, in the very pamphlet which is adopted by the Toronto promoters of cheap Railways, *only claims* that this cheap narrow gauge system is applicable to short lines in new and poor districts, affording but light traffic, and where a "break of gauge" is unimportant; and he entirely repudiates the notion of applying them to main lines of any considerable length, or even to "*important branches.*" The cases cited by Mr. Boyd (Swedish and Norwegian) are of an average length of from 27 to 28 miles, the shortest being 13, some 26 and 27 miles, and the longest only 56 miles.

To such an adaptation of these *tramways worked by steam*, I oppose no arguments—they may be worth a trial in this country under similar circumstances and to a like extent—but to plant such a system over 158 miles of country, with the idea of affording efficient communications between a district which promises to be the garden of Canada, and the Commercial Metropolis of the Upper Province, would seem to me to involve a most grave and fatal error, fraught with future disappointment, embarrassment and loss to every interest connected with the undertaking. And I say this not only because, if we are to work our lines with the economy, regularity and despatch which is essential to their full commercial value, we want, if anything, *better* rather than *worse* Railways than we now possess,—and not only because I believe the 5 ft. 6 in. to be the best of all the gauges,—but because, as that gauge is now in use throughout western Canada, the adoption of any other will isolate and expel your county from the rest of the Province in perpetuity, by cutting you off from all possibility

of direct connection with the other main lines of the country, and by excluding your trade forever from all chances of transfer to any other railway, without involving you in the heavy charges inseparable from transshipment.

The Great Western of England, otherwise one of the most magnificent Railway properties in the world, has been ruined by the isolation resulting from its exceptional gauge, and the mistake is now being repaired at enormous cost, by adopting the universal gauge of the country. The Great Western Railway of Canada has just laid down a third rail throughout its entire length (229 miles) from Niagara Bridge to Windsor, in order to assimilate its gauge with the American lines of New York and Michigan, and *thus avoid transshipment*; and the Ottawa and Prescott Railway is at this moment suffering grievous loss, arising from its isolated gauge.

Certainly no friendly or experienced persons would recommend you to repeat the error, and if they did, no Legislature would sanction so monstrous a folly.

3. OF THE ESTIMATED COST, AND THE PROBABILITY OF OBTAINING THE NECESSARY CAPITAL.

1. "The *Central Railway*," direct from Toronto to Owen Sound, 112 miles in length, has been estimated by its promoters to cost £8,000 cy. a mile. Inasmuch, however, as this is clearly an extravagant estimate as for cash, it will be better, for purposes of comparison, to reduce it to the Grey and Simcoe estimate, viz.: \$20,000 per mile for construction, and \$3,600 per mile for rolling stock equipment, being a total of \$23,600 per mile, or equal to a cash capital for the 112 miles of \$2,643,000.

2. "The *Toronto, Grey and Bruce Railway*" is intended to be carried from "Toronto to Durham, thence, *via* " Walkerton, to a point on Lake Huron (say Kincardine), "with a branch from Durham to Owen Sound." This would give the following mileage:—

Toronto to Durham,..... 83 miles.

Durham to Walkerton,.....	16 Miles.
Walkerton to Kincardine,.....	29 “
Durham to Owen Sound,.....	30 “

Total, 158 miles.

On the “cheap, narrow gauge system,” and low estimate of \$15,000 a mile, the capital would amount to \$2,370,000.

But as it is impossible to believe that such a district of country as Grey and Bruce will permit a “break of gauge,” or accept of such an inadequate and perishable Railway service as the “cheap, narrow gauge system” implies, I adopt the same standard estimate for a broad gauge line on the same location, viz., \$20,000 a mile for construction, and \$3,600 for equipment; or \$23,600 a mile complete, and we have for 158 miles a cash capital of \$3,728,800.

Assuming, however, for purposes of a closer comparison with the Grey and Simcoe route, that all the proposed lines beyond Durham are for the present abandoned, and the ambitious scheme cut down to a single line of 83 miles, from Toronto to Durham; then, at the same estimate, viz., \$23,600 a mile, a capital is required, for the 83 miles, of \$1,958,800.

The location of the Grey and Simcoe Railway has been surveyed, and the distance ascertained to be 47 miles; and as for this line the equipment of rolling stock would be provided by the Northern Railway, and would therefore form no charge upon the new capital, the estimate for construction, \$20,000 a mile, as applied above to the other lines, would give a capital of \$940,000.

Perhaps the foregoing computations will be more clearly understood if presented in tabular form, as follows:—

COMPARISON OF CAPITAL ACCOUNTS.

1. “The Direct Central,” Toronto to Owen Sound, 112 miles, at \$23,600 = \$2,643,200.
2. “The Cheap Narrow-Gauge System,” Toronto to Durham, Owen Sound, and Kincardine, 158 miles, at \$15,000 = \$2,370,000.

3. The same location as above, but constructed on the broad-gauge standard, 158 miles, at \$23,600 = \$3,728,800.
4. The same location, *Toronto to Durham only*, but on broad-gauge standard, 83 miles, at \$23,600 = \$1,958,800.
5. The same location, *Toronto to Durham only*, on the cheap narrow-gauge standard, 83 miles, at \$15,000 = \$1,245,000.
6. The Grey and Simcoe to Durham, exclusive of rolling stock, provided by Northern, and on broad-gauge standard, same as Northern, 47 miles, at \$20,000 = \$940,000.

Now, we had better consider carefully the above figures, so far as they affect the cheap Central scheme and the Grey and Simcoe. If we take Durham as the point common to both Lines, which (although it embraces only half the length of "the cheap" project) is the best and fairest upon which to base an exact comparison, we shall find that to construct a Line to Durham on the broad-gauge standard, built and equipped the same as Northern, will require (See Items 4 and 6) the sum of \$1,958,800, or \$1,018,80 (say one million) *more* than the Grey and Simcoe *on the same standard*; and even if we apply the cheap narrow-gauge 50-ton train and 10-mile-an-hour system, it will cost us \$305,000 more to get to Durham than by the Grey and Simcoe, built and equipped the same as Northern.

If, then, what is asserted in this pamphlet be true —*as it undoubtedly is*—that "there is a difficulty in getting *any* Railroad," and that "not a dollar can be got to construct much-needed Lines," surely it must be of *primary* importance, nay, it must be the *only* practical course giving the slightest prospect of success, *to limit the capital required for such enterprises to the lowest possible figure consistent with a sound and permanent property*; and to do this they must of necessity be based upon the general principle that a district still without a Railway can be soonest and most profitably served by the shortest possible mileage length of new Line necessary to reach it. If the "difficulty in getting any Railroad" is as the amount of capital required, and if the amount of capital required is (as it must be) as the length

of the Line to be constructed, then common-sense business men will be very apt to conclude, that to propose a Line of 83 miles when 47 will suffice, and an outlay of Two Millions of Dollars when One Million will answer all the purpose, will probably have the effect of indefinitely postponing the operation.

Again, if we accept the very sound and reasonable advice "to manage our new works *in accordance with our resources*, as manufacturers begin business *in proportion to their means* and markets," we shall certainly pause before we venture to disregard a difference, amounting to upwards of a Million of Dollars, between the cost of two possible locations for the Railway service of the same district.

But what *are* our "means?" Of upwards of 123 Millions of Dollars invested in Canadian Railways, *less than One Million is held in Canada*, and I am inclined to believe that *our desire* to add anything to that holding is just as limited as *our ability*. The truth is, we have neither the will nor the means amongst us to find the money with which to build railways, for we have little enough capital for our ordinary commerce; so if we want them we must look outside, and if we are to succeed in getting them, it must be by presenting reliable and paying openings for capital, and certainly not by asking for Two Millions of Dollars to do that *at a loss* which One Million would amply suffice to do *at a profit*.

Again, in this country, and in connection with this particular question, *time* is an essential element. We may have influence and opportunity to do that *to-day*, which *ten years hence* may be wholly out of our reach. The districts of Grey and Bruce are open to us *now*, but may *then* be directly and immoveably tributary to a rival city; and as capital is a difficulty, and always will be a difficulty, in providing Railways for new districts, the trade of which has yet to be developed, it is quite clear that the traffic which, for a dozen years to come, may fail to justify or to induce the expenditure of Two Millions of Dollars, may *at once* and *immediately* offer a highly

profitable investment for less than half that sum. Perhaps the force of this observation may be the more palpable if we look the fact straight in the face, that whereas the "Toronto, Grey and Bruce" Line from Toronto to Durham will require (as already stated) 83 miles of new road, and \$1,958,800 of capital, a Line from Guelph to Durham will involve the construction of only 57 miles, at an outlay (on the same estimate) of but \$1,345,200 ; so that the real practical rivalry is not as between *two Toronto Lines*, but as between the Grey and Simcoe route and that which is next in the order of *shortness* and *cheapness* and *time*, namely, that between *Guelph* and Durham.

What, then, are the chances of obtaining the capital for either of the Toronto lines ? I frankly confess that I fear *none* unless Toronto and South Grey cordially unite and concentrate their whole strength and influence upon *some one line*,—*most certainly none* if Toronto continues divided, dissipating its strength (which at the best has never been very commanding in such matters), and hesitating to enter boldly and as a unit into *one* or *other* of the schemes at present diverting it from *the real issue*, namely, *whether Grey shall be united with it or with Hamilton*. Let the weakness resulting from such division be continued, and in my humble judgment the inevitable result will be the loss, in perpetuity, of your District and Trade to this City, to great mutual injury ; for from what I have learned during my recent visit to your Townships, I am impressed with the conviction that their inhabitants are quite determined not to be left out in the cold any longer, and that failing a business-like and complete combination with Toronto, on *some one practicable scheme* acceptable alike to both interests, the County of South Grey will, and very naturally, open and act upon other and more westward Railway alliances.

Reverting, then, to the estimates for capital, representing in the case of the cheap, direct line from Toronto to Durham the sum of \$1,958,800, and in that of the Grey and Simcoe Railway the sum of \$940,000, what, I repeat, are the respec-

tive probabilities of obtaining the necessary means to admit of early construction ?

Now, the promoters of the Toronto, Grey and Bruce Line frankly confess that "not a dollar can be borrowed" for it on its own securities: and they further declare that, it being "contrary to the genius of our Government to guarantee the "interest on outlays for purely local works," some other and new method must be devised for obtaining the necessary money; whereupon they announce (though upon what authority does not appear) that "sufficient land *must* be obtained from "the local government to induce capitalists to take the requisite amount of stock to secure the immediate construction" of that line.

I am unwilling to say one word which should embarrass any legitimate proposition with which the interests of Toronto and Grey may be at all identified; but it does appear to me most questionable whether, with a view to any purely local works in any part of this Province, the Legislature of Ontario will consent to reverse the whole policy of the country governing the appropriation of the Crown Lands and the promotion of immigration. I think there is a strong and universal conviction amongst the people that "the public lands should be freely given to the actual settler," and that they should never again, by any Legislative or Executive action, be locked up in the hands of absentee speculators or foreign corporations. I think, therefore, that the most extreme point to which, by any possibility, Legislative sanction could be obtained to the appropriation of public lands to local objects, would be in relation to regions entirely unsettled and unopened, and *within which it is proposed to execute the particular works for which the aid is sought*, for in that way the principle of actual settlement would be promoted. But as the splendid counties of Grey and Bruce cannot be classed in that category, being already densely settled, and having no tracts of wild or unopened lands within their boundaries awaiting such an appropriation, the scheme for raising money by that method, for

the use and benefit of that locality, does not, to my mind, afford a very hopeful prospect. I fancy it would take an immense amount of "log-rolling," and the subdivision of the whole balance of the available Crown Lands, to secure for Toronto and Grey such a combination with constituencies east and west as would secure such a Parliamentary grant; and its success, involving, as it necessarily must, similar grants to other localities, would quickly absorb, in the hands of land monopolists and foreign corporations, the whole balance of our public demesne, by a liberal and wise distribution of which to actual settlers can the State alone hope to impart activity to immigration and settlement.

Now, when the promoters of "the Toronto, Grey and Bruce Railway" say that the Local Government must grant "sufficient land to induce capitalists * * to take the requisite amount of stock to secure the immediate construction of the Line," although the expression "*sufficient*" may imply the temptation of half a continent, still it is very doubtful if *any* amount would have the desired effect. Herepath's Railway Journal, the oldest and most influential railway authority in England, thus discourses upon propositions of this class. Referring to the recent advances in the revenues of the Northern Railway, he says:—

"Amidst the desolation and ruin brought about to all concerned in Canadian railways, except those using them as travellers, it is exceedingly refreshing to find one of the unlucky flock so contented and hopeful. A person begins to think that after all the Canadian Lines will not prove to be such desperate undertakings as they appear to be now, quite surpassing even the Belgian railways in the loss they have created for our capitalists; and—as if to laugh at their woes—it has lately been mentioned that some Line or Lines in Canada, with large land grants, are to be brought out and placed on the English market, paying us the compliment of believing that, as we have already lost so much money, we would like to risk a little more. When all the Canadian railways are on the rise, as the Northern appears to be, when their principal and oldest line, the Great Western, is paying

“ a fair rate of dividend, and when the Grand Trunk has reasonable hopes of expecting one, then, perhaps, we may be glad to hear of a new Canadian line well protected by a large land grant.”

If, therefore, Herepath be right, the capital not forthcoming on the security of the Railways themselves is not likely to be obtained by the additional bait of lands—the very proposition being in itself an evidence of weakness sufficient to destroy all confidence even in the double security. Which of us would think favourably of a mortgage on city property which required to be backed up by wild lands on Lake Superior ?

With further reference to the difficulties connected with the raising of the capital, I may perhaps venture to observe that a new Railway Corporation threatening to the interests of three other and stronger Railway bodies (such as the Great Western, the Grand Trunk, and the Northern), and which commences its operations by gratuitous and offensive assaults upon all of them, can scarcely hope to escape from the opposition which it seems to court, or to meet the same financial success that an older Company not open to similar hostilities might be able to command.

With the Grey and Simcoe Company, however, the case appears to me to be essentially different ; for whilst its capital is less than half that required for the “ Toronto, Grey and Bruce,” *as far as Durham only*, it has especial resources arising from the sympathies of another Corporation, which will greatly strengthen its financial ability. With a capital of only \$940,000, assuming that \$200,000, or \$250,000, may be contributed by municipal subscription, the balance (\$690,000) can be obtained by the transfer of existing and unappropriated Northern securities in good credit, supplemented by a Debenture lien upon the Line to the amount of say \$300,000, being equal to about \$6,400 per mile of road, as in comparison with the Debenture debt of the Northern, which, as already stated, is at the rate of \$27,000 per mile, upon which dividends are paid.

In addition to these special and valuable facilities, *which will suffice, if left alone, to build the road*, the Grey and Simcoe has the further great advantage of being entirely relieved from any expenditure for stocking its Line with locomotives, rolling stock, &c., a service which would otherwise represent an addition to the new capital of at least \$169,000; whilst beyond all this, and as at least of equal importance in an economical point of view, the Grey and Simcoe may be worked without the pressure of any separate standing charges for management such as any other and distinct organization must inevitably bear.

I have an intimate and exact acquaintance with the resources of the Grey and Simcoe Company, and of the measure of assistance it can command, and I have no hesitation in expressing my entire belief—I might almost say my *knowledge*—that assuming Toronto and Grey to be cordially united in its support, and that a moderate municipal basis be given for its capital account, the line can be proceeded with at once, and completed without delay.

4. OF THE QUESTION OF FREIGHT RATES ON THE RESPECTIVE LINES.

Upon this subject, the pamphlet already referred to proposes to give “a table of the rates of freight to which your produce would be subject *vid* the branch roads, at the rates charged by the G.T.R. and N.R. for equal distances.”

Let us see how near the facts the writer has been able to get in the figures which he has published,—for we have no secrets in regard to tariffs, and I am anxious that the farmers and merchants of Grey should know exactly how they would be affected by the Northern tariff applied to the Angus, Durham and Walkerton route, the mileage of which will be as follows

Toronto to Angus - - - - -	73 miles.
Angus to Durham - - - - -	47 “
Durham to Walkerton - - - - -	16 “
<hr/>	
Total Toronto to Walkerton - -	136 miles.

If we apply our *existing published tariff* to these distances, (and everybody knows that on all Railways long distances are served at less proportionate rates per mile than short ones, so that in practice the charges would be less than I now show them) the freight rates to Durham and Walkerton would be as follows,—and I put the figures side by side with those of the pamphlet, that the extraordinary exaggerations of the latter may be the more clearly seen:—

TABLE OF FREIGHT RATES BETWEEN TORONTO, DURHAM AND WALKERTON, BASED ON THE EXISTING TARIFF OF NORTHERN RAILWAY, TAKING COLLINGWOOD RATES.

DESCRIPTION OF FREIGHT. .	From Toronto to Durham, 120 Miles, As per Northern Tariff.	From Durham to Walkerton, 16 Miles, By same Tariff.	Total from Toronto to Walkerton, 136 Miles, By Northern Tariff.	Total as given in pamphlet. See page 9.
	\$ c.	\$ c.	\$ c.	\$ c.
Lumber, per car load.....	23 00	3 04	26 04	33 00
Staves “	23 00	3 04	26 04	33 00
Live Stock “	40 86	5 44	46 30	57 00
Flour, per barrel	38	5	43	55
Grain, per bshl., winter rates...	8½	1½	9½	15
Goods, 3rd Class, per Ton.....	5 10	2 35	7 45	7 80

It will thus be seen that every item quoted in the pamphlet is absolutely wrong, and always *very largely in excess of the facts*; and yet our tariff is published; we never depart from it; and certainly the computations are so simple as scarcely to admit of error. Of course, the excess tends to make a speculative tariff for the central line look remarkably pleasant and promising; but I prefer to believe that the errors are due to arithmetical blunders, rather than to intentional

misrepresentation. I fancy that when, if ever, the writer comes to invest in and manage a Railway, his financial sympathies will take a very practical, business-like direction, and that his actual Tariff, should he ever make one, will bear but very slight resemblance to the self-sacrificing liberality of the tempting one he now publishes.

But is the existing tariff of the Northern Railway a high one, and so high that the people of Grey, who want a Railway, shall be alarmed about it? The true practical tests are, "*Does it pay?*" and if it does, "*How is the country and its traffic affected by it?*" Now, the traffic of the Northern, although the line is entirely outside the limits of existing competition, is, mile for mile, a lower one than that of either of the other Railways connected with Toronto; but it pays only just so far as to secure dividends on a little over two-fifths of its capital. As to its effect upon the country, let the development of the County of Simcoe testify to the fact that every interest within it, whether agricultural, manufacturing or commercial, is buoyant and prosperous. The Township of Innisfil, as valued for assessment, has increased, in ten years, upwards of *six hundred and fifty per cent.*; and the Township of Nottawasaga, at the extreme northern limit of our line, has, in the same period, advanced about *sixteen hundred per cent.*, as shown by the Treasurer's books; and such has been the extraordinary expansion throughout the County of Simcoe, that although everything points to liberality of improvement in the public highways, in schools, and all other public and municipal expenditures which illustrate progress, yet the County rate, which in 1852 was seventy-five mills in the dollar, is this year reduced to thirty mills, *or less than half the old rate of Taxation!* showing very clearly that the people of the County are *getting more and paying less for it.* At this moment flax mills, flouring mills, woollen mills, stave factories, and the like, are rapidly multiplying throughout the length of the line, and the county of Simcoe is *competing successfully in timber at Quebec, in lumber at*

Albany and New York, in staves at Boston, in flour at Halifax, and in grain everywhere. Surely it is not too much to claim that the Railway has had a good deal to do with this prosperity, and that its tariff can scarcely have been *hostile and oppressive to the trade* of a district which, under its influence, has achieved such rapid expansion.

GENERALLY.

I have thus endeavoured to discuss this whole question in a plain, unprejudiced and unselfish spirit—rather indeed as a citizen of Toronto than as a Railway official—and much more from that stand-point than in regard to any interest the Northern proprietors may be supposed to have in the solution of it.

The subject will now at least be a little better understood, and people will arrive at their judgment with their eyes open, as far, at least, as I may have been competent to assist in that operation.

There are, as I trust I have shown, other questions besides “geographical location” which affect the value of a Railway and the chances of its construction; and however popularly the names “*central*” and “*cheap*” may address themselves to theoretical approval, considerations relating to *capital* and *time* may after all have more practical influence in dictating a sound decision.

So far, I am told, as some of your Townships are concerned, the question of location and direction is altogether subordinate to their determination “*to have a Railway;*” for, failing Toronto, your Western Townships would, as I understand, “*go in at once for a Guelph and Hamilton connection.*”

But, for *Toronto* the real issue is ~~NOT~~ NOT AS BETWEEN THE TWO TORONTO PROJECTS—BUT as between WHICHEVER OF THEM may be EASIEST AND FIRST CONSTRUCTED, AND THE GUELPH LINE OF FIFTY-SEVEN MILES, ~~AND~~ and of this we may all of us be certain ~~NOT~~ *whichever of the two cities—Toronto or Hamilton—first assumes possession of your District by build-*

ing (no matter which way, or how) a Railway through it, will hold its Trade in perpetuity ; ~~and~~ and Toronto should, and does, possess business shrewdness enough to see, without any suggestion of mine, that if the Grey and Simcoe Railway is not to be built, then Northern interests (if they are "selfish and grasping") will be best protected by the construction of the new line *as far as possible to the westward*:—and as the Durham and Guelph line, besides being, after the Grey and Simcoe, the *next shortest and cheapest*, and therefore, the *next easiest and quickest*—will conciliate the favor and support of the Grand Trunk and Great Western, and escape from opposition by the Northern, it seems to me, as a citizen of Toronto, at least doubtful whether the promoters of "The Toronto, Grey and Bruce Railway" can by any possibility gather up sufficient strength, or within a reasonable period, if at all, command sufficient capital to protect Toronto from so great a disaster.

This, you will say, is very "plain talking," but I speak boldly and plainly what I believe to be true, for I want no part in the responsibility of any measures which, as I think, so clearly and dangerously point towards the permanent injury and bitter disappointment of Toronto.

You have now determined to give the support of your County to the Grey and Simcoe Railway, and at once to submit the necessary By-laws to the ratepayers of your respective Townships authorizing aid to that line to the extent of \$150,000. I am led to believe that the Township of Mulmur may join in this movement ; but however favorable an aspect the money part of the question may assume—and it requires but very little to place it above all risk—I repeat that, in my judgment, it is essential to the success of this or of any other Railway project, that the undivided influence of Toronto and Grey should be secured.

Capital for Canadian Railways is too scarce and too sensitive to bear the doubts of division, or the assaults of hostility ; and it seems to me that if Toronto desires any connection with you by Railway, she should now elect to which of the pro-

posed lines she will contribute her strength and influence; and if her deliberate decision should, after due enquiry and consideration, be favourable to any other than the Grey and Simcoe route, I, for one, however strongly dissenting, should consider Northern proprietors and myself released from all further effort or future responsibility; for neither officially nor personally have I any desire to engage in an unseemly and suicidal local struggle, which, if persisted in, can only eventuate in common disaster to local interests. In such case, all that I should care to bargain for is, that if Toronto, in straining after the shadow, shall have lost the substance, the responsibility of the failure shall not rest with Northern proprietors, who will never thereafter be open to the charge of having offered any obstacles to legitimate Railway extension, or of having declined to afford a cheerful and generous assistance to local projects in which others are vastly more interested than themselves.

I very much regret that the consultation which you sought with the Corporation and the public commercial bodies of Toronto should have been postponed, and still hope that so wise and prudent a proposal, having for its object a full and temperate discussion of the whole question in mutual interest, may yet be fulfilled; for I am quite sure that although the somewhat premature and abrupt action of two of those bodies may unfortunately appear to have been discourteous, I am entirely warranted in begging you to believe that it is the sincere desire of the whole commercial community of this city to foster business relations with your counties, and that they would deeply and unanimously regret any course which might have the appearance of disrespect or indifference.

I have the honour to be,

Gentlemen,

Your most obedient servant,

FRED. CUMBERLAND.

ADDENDA.

There are some points affecting the Northern Railway, the discussion of which would have been somewhat irrelevant in the foregoing letter, but upon which it would seem desirable that accurate information should be afforded; for in the pamphlet to which reference has already so frequently been made it is stated that "trade is diverted from its natural channel and markets by the irresponsible and arbitrary feats of gentlemen who necessarily study and carry out a policy favorable to the interests of their English employers, however disadvantageous that policy may be to the interests of the districts affected, or damaging to the prosperity of the capital of this Province."

If this is intended to apply to the Northern, let us test its justice, and see what foundation there is for so harsh a charge; observing, by the way, that as the Company is governed by local Directors, amongst whom are representatives *ex officio* of the corporations of Toronto and Simcoe, it is strange if so pernicious a policy has been permitted, or, if permitted, has not been corrected. And first, it is said that "the bugbear which retards the settlement of our wild lands is the timber, which, for want of freight, you" (the farmers) "are compelled to destroy." Now, in regard to the Northern, nothing could be further from the fact; for so liberal is our freight on square timber and spars, that every year we bring down millions of feet, not only from the immediate vicinity of the line, but hauled to our stations by teams from Townships twenty and twenty-five miles distant from it. If timber thus brought down can, as it does, successfully compete year after year at Quebec with the Ottawa timber, transported entirely by water, it can scarcely with accuracy be said that "the summer sky is darkened with the smoke" of timber which the farmer burns because we will not carry it at reasonable rates: and to show to what opposite and unreasonable criticisms Railway management is open, I may state that I have received many protests from the County of Simcoe that we were assisting the timber trade with a liberality prejudicial to local interests, as it would be more advantageous to the locality to reserve the timber for manufacture into boards!

Now, as to cordwood, there is a prevailing but most erroneous impression that none is carried on the Northern; and the writer of the pamphlet, professing to make an extract from our tariff, inserts the words "*not carried.*" There are no such words in our tariff, which reads thus—"Cordwood (when taken) "twenty-five per cent. over lumber rates;" and in a note is added, "Cordwood will only be taken at Company's convenience "when other traffic admits."

Now, that tariff is in constant operation for small quantities or single car-loads, and during those seasons when the pressure of ordinary traffic would make cordwood a nuisance and injury to our customers who want their grain and lumber moved without delay. But immediately after the close of navigation, and in the winter, we have invariably carried cordwood at "*train rates*" for any one who wanted a train load or more; and, taking Barrie as an example, the charges by train rates have not exceeded \$15.82 per car, or 68 cents less than for lumber,—being the equivalent of \$2.26 per cord brought sixty-four miles by railway! and at these rates we have run a train for months, without cessation, every year! and have thus for a good many years brought down from 6,000 to 8,000 cords per annum for the wood merchants of this city, and for sale in this market. The contract wood for the garrison, the lunatic asylum, and other public institutions, *which are supplied by public competition,—all comes from this line;* and it must be clear to everyone, therefore, that our freight charges cannot be *prohibitory*,—nay, they must be *favorable*, or it would be impossible for Northern wood to compete with the supply brought to Toronto from the Lake.

Again, the writer says that cordwood should not cost more than \$4.50 to \$5 per cord, and intimates that it would not if the Central line were built. But it is a fact that we have brought very large supplies of cordwood every year from Innisfil (sixty miles), and delivered it in Toronto to the merchants at a prime cost to them of \$3.84 per cord; and if we add twenty per cent. thereon for profit, the selling price would be only \$4.60. Again, on one occasion we brought down from 700 to 800 cords all the way from Collingwood (ninety-four miles), the prime cost of which, delivered to the merchants in Toronto, was \$4 a cord, to which if we add twenty per cent. for profit, the selling price should be \$4.80 per cord for a splendid sample of hardwood, brought nearly 100 miles!

If the author of the pamphlet had refrained from implying

that we were in some degree responsible for "keeping cold and "death from the hearth of the poor," I should have hesitated to expose the fact that, between the 1st December, 1866, and the 19th of April, instant, we have sold from the Company's own stock nearly 3,000 cords for consumption in this city,—very largely amongst charitable institutions,—at prices ranging from \$3.25 to \$4 per cord; and during the same period have brought down about 6,000 cords for sundry persons in this city, at costs which, as far as my information enables me to judge, could not have exceeded \$4.65 to \$5.00 per cord.

Of course the wood trade, like any other, is governed by self-interest, and subject to the same laws as any ordinary commercial venture. If wood is scarce, the price advances, but a short supply simply proves that the wood merchants under estimated the demand—or had not capital with which to lay in sufficient stock during the season of navigation. With this a Railway can have nothing to do, and it is quite as unjust to hold us responsible for an upward tendency in the price of wood—an inevitable result, by the by, from the progressive-clearing of the country—as to charge us with an advance in the price of any other necessary of life which passes through our hands as common carriers. But there is the simple fact,—we bring in every year something approaching to 8,000 cords, at costs which are quite consistent with a selling price of from "\$4.50 to \$5.00."

Again, "picture the value" (I quote from the pamphlet) "to the farmers on the central route, of a market at each station for fuel for the Railway and for the City of Toronto, where "\$1 75 to \$2 in cash could be had for every cord."

Now this is *precisely the case at all the stations of the Northern Railway*, where cordwood can be, and is every year, sold to Toronto wood merchants, as well as to the Company, at prices *not limited to \$2, as the pamphlet suggests*, but ranging from \$1.50 to \$2.75 per cord, according to locality and distances; and it is an indisputable fact that every season all the wood that has been produced by the farmers has found a ready sale, either for the use of the Company or to be brought to market; and at this moment, so limited has been the supply, that we are some thousands of cords short of our usual supply, and have ourselves had to await the opening of navigation to obtain it from the Lakes.

I hope it is scarcely necessary for me to add that all these statements relative to wood can be verified by reference to the

Company's books and officers; but I do so because I am quite aware that the wood trade has been a mystery, and that this Company has had to suffer much unmerited odium in connection with it.

We come next to lumber. Does the author of the pamphlet, when he speaks of "pine lumber worth \$10, \$16 and \$20 in Toronto," as being "burnt in the summer sky," or destroyed for "want of freight," really pretend to believe anything of the sort in regard to the Northern? In this branch of production and industry the district of this Railway has, under the influence of our tariff, had wonderful development, and so little is it crushed by the burthen of a hostile or oppressive tariff, that, whereas last year we carried about forty-one millions of lumber, this year we shall probably transport from sixty-five to seventy millions! The construction of new mills along the whole line of road at this moment (some of them capable of cutting 100,000 feet a day) is the best possible testimony to the elasticity and expansion of the lumber trade under our existing tariff. However, it is not necessary to discuss this question in connection with the County of Grey, for (*although the writer does not seem to know it*) lumber will be *taken in* there instead of *brought out*, for there is little or no pine in the country.

And now a word or two with reference especially to the City of Toronto. We are told in the pamphlet before referred to that support should be given, not to the proposed Durham branch, but to "an independent line, worked in the interests of your Counties and the trade of this City, both interests being fully identical on this question."

I claim that the Northern is especially an "*independent line*," worked in the interest of both; and I *know* that had any different policy been pursued, it would long since have ceased to be independent. It is because this line has thus been worked, rejecting its through trade in favor of local, refraining from all outside combinations, keeping a thoroughly even hand between the rail and lake interests to the eastward, giving trade free access to the water which did not want to keep the land, that this line has prospered, and has been able to stand alone, to the obvious advantage of every interest in this city; and it is indeed but poor requital to be told that "we put our yoke on the necks of the people."

We work by far the largest Railway establishment in this city, and are constantly increasing it. More produce comes to

the city, and more merchandise is carried away from it by the Northern than by any other avenue of trade. We find employment for a large number of the best and most valuable class of mechanics which any community can desire to possess; and I believe that more vessels come to our wharves, and sail from them, than can be numbered for all the rest of the Lake trade of Toronto put together. We pay wages to the amount of some \$12,000 a month, and we buy everything in Toronto that Toronto merchants can supply; and yet we are told that all this is done in "the interest of our English employers, "however disadvantageous to the districts affected, or damaging to the prosperity of the capital of this Province."

I venture to say, however, that assuming, as is the fact, that the Northern is essentially a local road, it is the real interest of Toronto so to strengthen it as to *ensure its continued independence*, and so to extend it as to ensure its drawing to this city all the trade of all the territory it can be made to serve. It has been growing in strength with great rapidity of late. It has been doing more for Toronto than it ever did, and is capable of doing still vastly more. Let this strength be availed of, maintained and extended, and Toronto will reap, without outlay, agitation or injury to any interest involved, all the future advantages, not only in augmented trade, which cannot be diverted, but in increased local establishments and local expenditure, more shops, more stations, and more men, in less time and at less cost than can be hoped for from any new feverish and theoretical speculations, which, however they may flash in a false and spasmodic sort of energy for a time, must ultimately expire, but perhaps not until infinite mischief may have been done to the credit and prospects of sound enterprise and legitimate expansion.

